## REMARKS

In the above-identified Office Action, claims 1-28 were rejected by the Examiner. In this response, various claims have been amended as set forth above, and claims 10-18 and 26-28 have been cancelled without prejudice. All amendments are fully supported by the original disclosure, and no new matter has been introduced. Thus, claims 1-9 and 19-25 remain pending for reconsideration. Reconsideration of the application is respectfully requested.

## Rejections under 35 U.S.C. § 103

1. In "Claim Rejections – 35 U.S.C. § 103", on pages 3 of the present Office Action, the Examiner rejected claims 1, 7-23, and 25-28 under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No 7,409,146 (hereinafter "Kawai") in view of U.S. Patent Publication No. 2003/0147631 (hereinafter "Zimmermann").

Rejections of claims 10-18 and 26-28 have been rendered moot by their cancellations. With respect to claims 1, 7-9, 19-23 and 25, Applicant respectfully submits these claims are allowable over the cited references, in light of the amendments.

Amended independent claim 1, among other things, now recites

"converting ... the first digital copy directly into a second and a third digital copy of the received program, having a second and a third quality level respectively, wherein the third quality level is lower than the second quality level and the second quality level is lower than the first quality level;

storing ... the second and the third digital copy along with the first digital copy ...; and after a period of time ... applying ... a retention policy associated with the program to delete at least one of the stored first, second and third digital copies."

Thus, when viewed as a whole, as required by law, claim 1 recites a method that includes the creation of *at least two* lower quality copies *directly* converted from the first digital copy, taking up more storage space in the short term, even though storage space is the central issue, to provide flexibility later on in the application of a retention policy, allowing more granularity in the management and tradeoff of storage space versus quality and availability.

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Attorney's Docket No.: 110466-152113 Application No.: 10/681,885 Kawai merely teaches the trancoding of a digital copy into a single lower quality copy. After transcoding, only the single lower quality copy is stored. In view of the purpose of said transcoding which is to save storage space, Applicant submits Kawai teaches away, and does not suggest the recited *direct* converting of the first digital copy to generate the second and third lower quality copy, and store the *multiple* lower quality copies (the second and third copies), post converting, *along* with the original first digital copy.

In rejecting now cancelled claim 10, the Examiner asserted that it is obvious for a person of ordinary skill in the art to make multiple copies with different quality for different processes. However it is submitted that the recited multiple copies are not for different processes, but for the *same* playback process from the *same* machine, which requires only one copy. Thus, it is submitted that there is no motivation for a person of ordinary skill in the art to have more than one saved copy in the *same* machine, post transcoding, especially when storage space is the central issue.

Accordingly, Applicant submits such an approach in the present application (generating multiple lower quality copies from the first digital copy of higher quality at the same time) which provides flexibility in the application of the retention policy is not suggested by Kawai, nor by any of the other cited references, whether the cited references are viewed individually or in combination.

Under Kawai, or in combination with the other cited references, when further storage space is needed, the only option available is to either delete the lower quality copy or further transcode the lower quality copy into another copy with even lower quality. Such another copy generated from the successive transcoding would have a lower quality than the "third quality level of the third copy" recited in claim 1, as said third copy is *directly* converted from the "first digital copy" with "first quality level."

Applicant submits the prior art approach in managing the tradeoff between storage space versus quality and availability in Kawai and in the other references teaches away and does not suggest the method of claim 1, which requires the production of *multiple* lower quality copies *directly* converted from the original first digital copy with a first quality level, and the *multiple* lower quality copies stored *along* with the original first copy.

Therefore, the cited references, individually or in combination do not suggest claim 1. Thus, for at least these reasons, claim 1 is not obvious and patentable over the cited references.

Independent claims 19 and 23 include generally similar recitations to claim 1. Therefore, due to at least above stated reasons, claims 19 and 23 are patentable over Kawai in view of Zimmermann under 35 U.S.C. § 103(a).

Claims 7-9, 20-22, and 25 depend from independent claims 1, 19, or 23 or incorporating their recitations respectively. Thus, it is submitted that claims 7-9, 20-22, and 25 are patentable over Kawai in view of Zimmermann under 35 U.S.C. § 103(a) due to at least above stated reasons as well as additional recitations included.

2. In "Claim Rejections – 35 U.S.C. § 103", on pages 3 of the present Final Office Action, the Examiner rejected claims 2-6 and 24 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Kawai in view of Zimmermann and further in view of U.S. Patent Publication No. 2003/0198458 (hereinafter "Greenwood").

Greenwood was cited as teaching "receiving, by the computing device, a request to schedule a recording of the program; determining, by the computing device, a recording quality and a longevity of the program; and associating by the computing device, the recording quality and longevity with the program; wherein applying the retention policy is performed based at least in part on associated desired longevity."

However, Greenwood fails to cure the above stated deficiency of Kawai and Zimmermann with respects to independent claim 1 or 23.

Claims 2-6 and 24 depend from claim 1 or 23, incorporating their recitations respectively. Therefore, for at least similar reasons set forth for the corresponding independent claims and additional features recited, Applicants submit that claims 2-6 and 24 are patentable over Kawai in view of Zimmermann and further in view of Greenwood under 35 U.S.C. § 103(a).

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## **CONCLUSION**

In view of the foregoing, reconsideration and allowance of pending claims are solicited. If the Examiner has any questions concerning the present paper, the Examiner is kindly requested to contact the undersigned at (206) 381-8819. If any fees are due in connection with filing this paper, the Commissioner is authorized to charge the Deposit Account of Schwabe, Williamson and Wyatt, P.C., No. 500393.

Respectfully submitted, SCHWABE, WILLIAMSON & WYATT, P.C.

Date: <u>03/24/2010</u> by: <u>/Al AuYeung/</u>

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